

**APPROVED 2003**  
**WORK PLAN, MEETING SCHEDULE AND BUDGET**  
**for the**  
**REVENUE STABILIZATION AND TAX POLICY COMMITTEE**

**WORK PLAN**

The Revenue Stabilization and Tax Policy Committee (RSTPC) is a statutorily created joint interim legislative committee. Pursuant to Section 2-16-3 NMSA 1978, the committee is directed to "examine the statutes, constitutional provisions, regulations and court decisions governing revenue stabilization and tax policy in New Mexico and recommend legislation or changes if any are found to be necessary...".

**Work Focus for 2003**

**Examination of New Mexico's Tax Structure**

RSTPC plans to coordinate its agenda with that of the Blue Ribbon Tax Reform Commission, which was created by legislation passed in the 2003 session. The Blue Ribbon Tax Reform Commission is charged with examining New Mexico's tax system and developing recommendations for reform. The commission is to report to the governor and the legislature by September 1, 2003. It is anticipated that a special legislative session will be called by the governor to consider the results of the commission's study.

RSTPC's work focus for this interim will be designed to complement the work of the Blue Ribbon Tax Reform Commission and to prepare for the special legislative session on tax issues. Agendas will focus on an examination of current New Mexico tax structure and tax policy and highlighting areas in which change may be necessary to adapt to economic, demographic and technological trends. This interim will be a continuation of the work of the committee in the previous three interims. Two areas of particular emphasis this interim will be the taxation of extractive industries and fuel and road user taxes and fees.

**Monitoring Implementation and Impacts of 2002 New Mexico and Federal Tax Legislation**

The committee will follow up on the implementation and fiscal impacts of legislation from the 2002 session dealing with taxation and revenue matters. The committee will also review recently enacted federal taxation changes to assess the impact of these changes on state revenues.

## **Other Tax and Fiscal Matters**

The committee may also:

- review and study local government revenue sources and trends and the balance of taxing authority, revenue sources and expenditures between the state and its local governments;
- monitor severance tax revenues, including revenue and bonding authority estimates, and management of bond appropriations and expenditures;
- review the investment policies and management of state permanent funds, as well as other state funds;
- review effectiveness of existing tax incentives designed to encourage economic development;
- review existing tax laws for technical correction, cleanup or amendment;
- conduct any other study or review of tax administration, tax laws, tax policy, public finance and revenue stabilization issues that the committee deems necessary;
- determine if there are benefits to the state in permitting the Taxation and Revenue Department to implement a process of offer and compromise or settlements of tax disputes that allow the state to receive taxes due and determine changes necessary to New Mexico law or its constitution to implement such a change; and
- review the New Mexico Taxpayer Bill of Rights and its implementation.

## **MEETING SCHEDULE**

In addition to its initial meeting on June 11, 2003, the committee proposes the following meeting dates. All meetings will be held in the State Capitol in Santa Fe.

July 30-31

August 27-28

September 9-10

October 2-3

November 17-18